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ENVIRONMENTAL PROTECTION

November 6, 2006

Mary A. Siders, Ph.D.
Nevada Department of Environmental Protection
901 S. Stewart Street, Suite 4001
Carson City, NV 89701

RE: Maryland Square Site
Las Vegas, NV

Dear Dr. Siders:

I am in receipt of your letter of October 9, 2006 entitled Requirements for Submittal of Source Removal and Groundwater Corrective Action Plans, Soil Gas Sampling Work Plan, and Additional Off-Site Groundwater Characterization Work Plan for the Maryland Square remedial site in Las Vegas, NV and am writing to inform you of our ability and intentions to complete the requested activities.

AI Phillips the Cleaner (APTC) and its parent DCI Management Group, Ltd. (DCI) are willing, as we discussed in our earlier meeting, to address a source area of contamination located at our former facility on Maryland Parkway. In our preliminary review of the soil contaminant scenario we understood from our consultant that excavation was a viable alternative from a cost standpoint. However, URS has since conferred with the hazardous waste removal company and were told that any soil in excess of 500 ppb of PCE would require "chemical treatment" prior to disposal other than just disposal as an F-Listed waste. We have conferred on the accuracy of this statement and are attempting to verify the situation; but if so, the estimate for disposal increases at least two-fold placing the cost for this option out of reach.

Accordingly, we must reconsider installation and operation of the Air Sparge/Ozone Sparge (as/os) system earlier proposed by URS and approved by NDEP. We currently anticipate needing to do some additional soil assessment work in the source area in order to better understand soil conditions and ensure proper sparge point placement or amounts of soil to be excavated. This effort will be addressed in a revised Corrective Action Plan that we will make every effort to provide by November 13, 2006 as requested. We anticipate completing the sampling effort and finalizing the remedial approach by January 2007.

Health, Safety & Environmental Director
4510 W. 63rd Terrace Prairie Village, KS 66208
(913) 671-8405

NDEP has requested additional work in addition to source area remediation. These include soil gas sampling for vapor intrusion data, down gradient characterization and preparation of a Corrective Action Plan for Offsite Groundwater.

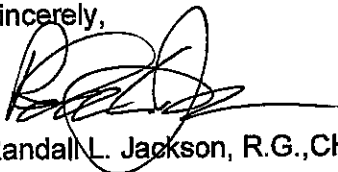
APTC has expended significant effort and money in characterizing the down-gradient plume at NDEP's request in the past. This was done even though APTC believes there are numerous sources for the contaminant plume in the area. These include a former drycleaner located in retail facility called "Wonder World" located adjacent to our former location, a former drycleaner located in the vicinity of the current mall, and suspect property usage north of our former facility. Therefore it cannot be concluded at this time that we are responsible for this plume.

In addition, we are a small financially challenged company and simply do not have the resources to fully comply with the demands of your letter beyond source area remediation. We believe our efforts must focus on source removal in our former space, and a reasonable monitoring program. Such an effort as this is feasible for us to conduct and will, we believe, have a positive effect on site conditions elsewhere, if the sites are indeed connected, as we have seen in other projects in the Las Vegas area. After the initial period of installation and monitoring we may be able to conduct some additional activities you have requested as conditions permit.

Our inability to pay may be best understood by referencing the Federal Register for the recent West Fargo, North Dakota remediation project. This public document outlines our settlement with the EPA regarding that remedial effort. As also discussed in our meeting, we propose that NDEP consider involvement by an NDEP or EPA Region IX fund to address the down gradient concerns at this location.

We look forward to working with you to address the concerns at this site.

Sincerely,

A handwritten signature in black ink, appearing to read "Randall L. Jackson", with a stylized flourish at the end.

Randall L. Jackson, R.G., CHMM

Cc: Richard Queen, DCI
Scott Ball, URS
File